

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF NORTH CAROLINA

MARY JANE BEAUREGARD, On Behalf
of Herself and All Others Similarly
Situated

Lead Plaintiff,

Civ. No. 07-CV-00785-WO-PTS

vs.

SMART ONLINE, INC., *et al.*

Defendants.

**LEAD PLAINTIFF'S MOTION FOR FINAL APPROVAL OF PARTIAL CLASS
SETTLEMENT, PLAN OF ALLOCATION AND AWARD OF ATTORNEYS'
FEES AND EXPENSES**

Lead Plaintiff Mary Jane Beauregard, through Court-appointed Lead Counsel, respectfully move this Court for an Order:

(1) finding that the forms and methods for notice to the class, consisting of all Persons who purchased or otherwise acquired publicly traded securities of Smart Online, Inc. ("SOL") between May 2, 2005 through September 28, 2007, inclusive, excluding Defendants, officers and directors of SOL, their immediate families, legal representatives, heirs and assigns, and any entity in which any excluded Person has or had a controlling interest, and those persons and entities who timely and validly request exclusion from the Class pursuant to the Notice of Pendency and Settlement of Class Action (the "Notice")

sent to Class Members (the “Class”), met the requirements of Fed. R. Civ. P. 23(c) and (e), and due process;

(2) Granting, pursuant to Fed. R. Civ. P. 23(a) and (b)(3), final certification, for the purposes of effectuating the proposed partial settlement set forth in the Stipulation of Settlement filed with the Court on June 21, 2010, D.E. No. 61 (the “Stipulation”), of the Class;

(3) granting final approval of the proposed partial settlement (the “Settlement”) of this class action on the terms and conditions set forth in the Stipulation;

(4) granting approval of the proposed plan of allocation of Settlement proceeds (the “Plan of Allocation”) as set forth in the Notice; and

(5) granting Lead Counsel an award of Attorneys’ fees in the amount of one-third ($33 \frac{1}{3}$) of the Settlement consideration and reimbursement of \$20,555.88 in litigation expenses as compensation for their efforts in prosecuting the Litigation and obtaining the Settlement, with interest thereon from the date of the award to the date of payment.

In support of the above-requested relief, Lead Plaintiff respectfully refers the Court to the Memorandum in Support of Motion for Final Approval of Partial Class Settlement and Plan of Allocation; the Memorandum in Support of Motion for Award of Attorneys’ Fees and Expenses; and the Declaration of David A.P. Brower in Support of Lead Plaintiff’s Motion for Final Approval of Partial Class Settlement, Plan of Allocation and Award of Attorneys’ Fees and Expenses, and the annexed Affidavit of Jason Zuena

regarding (A) Mailing of the Notice and Proof of Claim; (B) Publication of the Summary Notice; and (C) Report of Requests for Exclusion, the Declaration of Kim E. Miller in Support of Lead Plaintiff's Motion for Award of Attorneys' Fees and Expenses, the Declaration of David A.P. Brower on Behalf of Brower Piven, A Professional Corporation, in Support of an Award of Attorneys' Fees and Reimbursement of Litigation Expenses, and the Declaration of S. Ranchor Harris in Support of Lead Plaintiff's Motion for Award of Attorneys' Fees and Expenses.

Dated: April 4, 2011

Respectfully submitted,

/s/ S. Ranchor Harris, III
S. Ranchor Harris, III (Bar # 21022)
100 N. Cherry Street
Winston-Salem, NC 27101-4016
Tel: 336-721-1001
Facsimile: 336-748-9112
Local Counsel for Lead Plaintiff and the Class

BROWER PIVEN
A Professional Corporation
David A.P. Brower
488 Madison Avenue, 8th Floor
New York, New York 10022
Brower@browerpiven.com
Tel: 212-501-9000
Fax: 212-501-0300

KAHN SWICK & FOTI
Lewis S. Kahn
206 Covington Street

Madisonville, Louisiana 70447

Tel: 504-455-1400

Fax: 504-455-1498

Lead Counsel for Lead Plaintiff and the Class

CERTIFICATE OF SERVICE

I hereby certify that this **LEAD PLAINTIFF'S MOTION FOR FINAL APPROVAL OF PARTIAL CLASS SETTLEMENT, PLAN OF ALLOCATION AND AWARD OF ATTORNEYS' FEES AND EXPENSES** and the accompanying Declaration of David A.P. Brower in Support of Lead Plaintiff's Motion for Final Approval of Partial Class Settlement, Plan of Allocation and Award of Attorneys' Fees and Expenses, and the annexed Affidavit of Jason Zueno regarding (A) Mailing of the Notice and Proof of Claim; (B) Publication of the Summary Notice; and (C) Report of Requests for Exclusion, the Declaration of Kim E. Miller in Support of Lead Plaintiff's Motion for Award of Attorneys' Fees and Expenses, the Declaration of David A.P. Brower on Behalf of Brower Piven, A Professional Corporation, in Support of an Award of Attorneys' Fees and Reimbursement of Litigation Expenses, and the Declaration of S. Ranchor Harris in Support of Lead Plaintiff's Motion for Award of Attorneys' Fees and Expenses were filed through the CM/ECF system and will be sent electronically to the registered participants as identified on the Notice of Electronic Filing, and paper copies will be sent to those indicated as non-registered participants on April 5, 2011.

/s/ S. Ranchor Harris, III
S. Ranchor Harris, III (Bar # 21022)